



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
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BOARD OF SUPERVISORS

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November 23, 2005

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF PROVIDER ENROLLMENT APPLICATION TO PARTICIPATE IN THE  
MEDICARE MODERNIZATION ACT (MMA) SECTION 1011 PROGRAM FOR FEDERAL  
REIMBURSEMENT OF EMERGENCY MEDICAL SERVICES PROVIDED TO  
UNDOCUMENTED IMMIGRANTS**  
(All Districts – 3 Votes)

**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve and instruct the Director of Health Services, or his designee, to sign the MMA Provider Enrollment Application with the Centers for Medicare and Medicaid Services (CMS) to participate in, and claim for, the MMA Section 1011 federal reimbursement program for emergency services provided to undocumented immigrants.

**PURPOSE OF THE RECOMMENDED ACTION**

The purpose of the recommended action is to authorize the Department of Health Services (Department) to participate in the MMA Section 1011 program that was approved by CMS on May 9, 2005.

**IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The application to participate in the MMA Section 1011 program is consistent with the Fiscal Responsibility goals of the County.

**JUSTIFICATION**

Participation in the MMA Section 1011 program creates an opportunity for the County to recover a portion of its costs to provide emergency medical treatment to the undocumented

immigrants receiving care under the Emergency Medical Treatment and Active Labor Act (EMTALA).

### **FISCAL IMPLICATIONS**

The fiscal reimbursement plan authorized under MMA Section 1011 establishes \$1.0 billion to provide \$250 million per year to all 50 states and the District of Columbia for Federal Fiscal Years (FFY) 2005-2008. California is expected to receive approximately \$70.8 million for claimable services in FFY 2005. However, the estimated amount of revenue that the County will receive cannot be determined at this time because it is expected that total claims for all California eligible providers will exceed the \$70.8 federal allotment which could result in partial claim payments on a pro rata basis. Therefore, the County's revenue accruing from participation in this program will be affected by the total amount of claims submitted by all providers in the State.

It is important to note that, since the claiming requirements under Medi-Cal Redesign are still being developed, it is unclear at this time whether or not the Department is entitled to receive payments simultaneously under Medi-Cal Redesign and MAA Section 1011 for inpatient services. The Department is working with the State, County Counsel, and outside counsel to resolve this issue. Pending the outcome of this issue, the Department may be precluded from participating in the Section 1011 program for inpatient services and it may not be cost-beneficial to claim for outpatient services.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The authorization that the Department seeks will permit the County to be reimbursed for some portion of the costs associated with providing emergency treatment to undocumented immigrants. The MMA requires the federal Department of Health and Human Services to establish a process by which eligible providers, such as the County, may request these payments. This Provider Enrollment Application is the result of that mandate.

The Department has received clarification from CMS on several conditions of participation. These include requirements to indirectly verify the immigration status of all potential MMA Section 1011 patients. Once a determination is made that a patient is eligible for the program, a Department representative must attest to the validity of the patient's information and status as an "undocumented alien." It is important to note that Section 1011 regulations specifically prohibit asking patients if they are undocumented. As an additional note, the Department will not include any patient name or address information in its claim submissions.

CMS appointed TrailBlazer Health Enterprises, LLC as the designated federal fiscal intermediary on July 7, 2005. Claiming for Section 1011 reimbursement extends 180 days from the close of the FFY quarter in which the services were provided (claims for the Third and Fourth quarters of FFY 2005 are due by December 27, 2005 and March 31, 2006 respectively). Individual claims must be sent (electronically) to TrailBlazer and are subject to medical and eligibility documentation compliance review. CMS/TrailBlazer have indicated

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that payments of initial claims for the Third Quarter FFY 2005 are targeted for March-April 2006.

**CONTRACTING PROCESS**

Not applicable.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

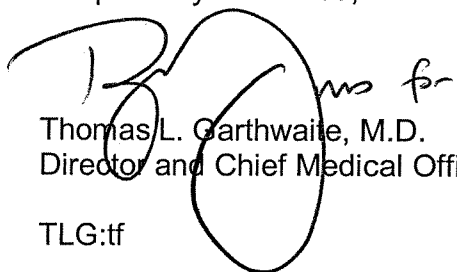
On June 1, 2005 the Department activated a methodology by which to identify potential Section 1011 eligibility for inpatient ER admissions and is in the process of evaluating how best to implement the program for ER visits. CMS/TrailBlazer have indicated the Section 1011 program will only cover emergency medical care provided for stabilization for a period not to exceed 48 hours.

Departmental representatives have been participating in national and regional conference calls with CMS, NAPH, TrailBlazer, and others to learn as much as possible about this new program.

The Department will provide periodic reports and recommendations to the Board as information is developed including the outcome of Medi-Cal Redesign.

When approved, DHS requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

TLG:tf

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Treasurer-Tax Collector